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October 26, 2004

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Cotton Valley Formation, Reservoir A, HICO-
KNOWLES FIELD, Lincoln Parish, Louisiana.

Dear Sir:

XTO ENERGY, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, in the Hico-Knowles Field, Lincoln Parish, Louisiana:

1. To authorize Applicant to drill, designate and utilize one (1) alternate unit well each for CV RA SUF and CV RA SUG at the locations shown on the attached plat, or at any other locations within these units which would be in compliance with the well location provisions of Office of Conservation Order No. 137-X, effective June 21, 1978.
2. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Cotton Valley Formation, Reservoir A, underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well within such unit.
3. To permit the Operator of CV RA SUF and CV RA SUG to produce the allowables assigned to these units from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the Operator.
4. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Formation, Reservoir A, in Hico-Knowles Field, Lincoln Parish, Louisiana, is defined in Office of Conservation Order No. 137-X-6, effective July 27, 1999.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, LA 70002-7216. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such

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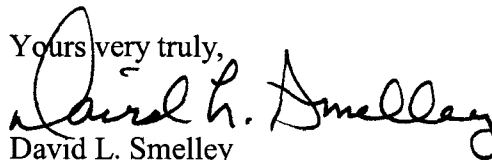
data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Hico-Knowles Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

Yours very truly,

David L. Smelley

-- Attorney for XTO Energy, Inc.

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Ms. Donna Mullen (w/encls.)
Mr. Fred Meendsen (w/encls.)
Mr. Louis Gilbert (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plat only)

